

Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

MINERALS PROGRAM
FILE COPY

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

November 14, 1989

Mr. F. Alan Fletcher Pruitt, Gushee and Fletcher Suite 1850 Beneficial Life Tower Salt Lake City, Utah 84111

Dear Mr. Fletcher:

Re: Amended Reclamation Surety, Tony M and Frank M Mine Sites, Nuclear Fuels Services, M/017/001, and M/017/017, Garfield County, Utah

I recently visited the two sites mentioned above, on November 9, 1989. From that visit I have developed a definitive idea of the affected area at each site. It will now be possible to develop a more permanent surety arrangement with Nuclear Fuels Services (NFS).

I determined that the approximate disturbed acreage at the Frank M is 1 acre. The affected area consists of the single decline, a remnant concrete foundation, a small amount of surface disturbance in relation to these facilities, and some few feet of access road. Apparently, portions of this site have already been reclaimed.

Because the affected area is less than 5 acres, the Division will not ask for a reclamation surety for the Frank M site. We will ask, only, that the operator fill out the enclosed Small Mine Operator form. When this form is returned to us, we will change the status of this site from Large Mine to Small Mine.

The disturbed acreage at the Tony M is 55 acres. This has not changed substantially since 1981 after a new impounding structure was constructed on site. Please find attached to this letter the Division's reclamation estimate for the Tony M site. The estimate is for \$148,000. The difference in the surety obligation will be \$187,256 - \$148,000 = \$39,256. We will need a new Reclamation Contract and form of surety from you, based on this amount.

The new form and amount of surety proposal will go before the Board on January 25, 1990 for approval. Unfortunately, we ran out of time to make the November Board Hearing. There will not be a December Board Hearing.

Page 2 Tony M and Frank M M/017/001, M/017/017 November 14, 1989

The current Certificate of Deposit for \$187,256.58 will have to be rolled over, again, December 4, 1989. You might want to set the roll over for 60 days again.

Please call me if you have any questions regarding the content of this letter.

Sincerely,

Holland Shepherd

Reclamation Specialist/Permit Lead

jb

Attachment

cc: Lowell Braxton

Wayne Hedberg

MN5/155-156